

COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING; FY 2011-12 BUDGET REQUEST; TOBACCO TAX UPDATE

<b>Health Care Expansion Fund: Outlook 2006-2013</b>								
	FY 2006-07 Actuals	FY 2007-08 Actuals	FY 2008-09 Actuals	FY 2009-10 Actual	FY 2010-11 <sup>6</sup>	FY 2011-12 <sup>6</sup>	FY 2012-13 <sup>7</sup>	
<b>A. Tobacco Tax Revenues</b>								
Tax Revenue <sup>1</sup>	\$168,168,587	\$162,987,630	\$159,334,567	\$148,454,086	\$151,642,013	\$146,133,134	\$142,779,944	
<b>B. Health Care Expansion Fund</b>								
Transfer (46%)	\$77,357,550	\$74,974,310	\$73,293,901	\$68,288,879	\$69,755,326	\$67,221,242	\$65,678,774	
Less 10% Reserve Requirement <sup>2</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Interest Earned <sup>3</sup>	\$5,885,036	\$6,535,878	\$4,589,248	\$2,788,748	\$2,830,815	\$2,007,992	\$1,247,897	
<b>Health Care Expansion Funds Available</b>	<b>\$83,242,586</b>	<b>\$81,510,188</b>	<b>\$77,883,149</b>	<b>\$71,077,627</b>	<b>\$72,586,141</b>	<b>\$69,229,233</b>	<b>\$66,926,671</b>	
			2.40%	1.90%				
<b>C. Health Care Expansion Fund Reserve Balance</b>								
Previous Year's Reserve Fund Ending Balance	\$91,398,039	\$94,635,520	\$130,653,130	\$119,601,623	\$79,234,953	\$38,462,532	\$0	
Previous Year's Unspent Health Care Expansion Fund Balance	N/A	\$36,017,610	\$5,068,485	\$0	\$0	\$0	\$0	
Beginning Health Care Expansion Fund Reserve Balance	\$91,398,039	\$130,653,130	\$135,721,615	\$119,601,623	\$79,234,953	\$38,462,532	\$0	
10% of Yearly Appropriation to the Health Care Expansion Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fund Required from the Reserve Balance in the Current Year	\$0	\$0	\$16,119,995	\$40,366,669	\$40,772,421	\$38,462,532	\$0	
Interest Earned <sup>3</sup>	\$3,237,481	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Health Care Expansion Fund Year-End Reserve Balance</b>	<b>\$94,635,520</b>	<b>\$130,653,130</b>	<b>\$119,601,623</b>	<b>\$79,234,953</b>	<b>\$38,462,532</b>	<b>\$0</b>	<b>\$0</b>	
<b>D. Health Care Expansion Fund Expenditures</b>								
<b>(1) Executive Director's Office</b>	<b>\$472,310</b>	<b>\$482,729</b>	<b>\$550,255</b>	<b>\$964,806</b>	<b>\$953,481</b>	<b>\$959,622</b>	<b>\$963,258</b>	
Personal Services <sup>4</sup>	\$121,796	\$113,749	\$134,106	\$146,463	\$150,989	\$160,766	\$160,766	
Operating Expenses	\$4,120	\$3,654	\$4,365	\$4,365	\$4,430	\$4,430	\$4,430	
Commercial Leased Space	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	
Acute Care Utilization Review	\$14,346	\$16,520	N/A	N/A	\$0	\$0	\$0	
Long Term Care Utilization Review	\$38,429	\$0	N/A	N/A	\$0	\$0	\$0	
Professional Services Contracts	N/A	N/A	\$54,949	\$54,949	\$54,949	\$54,949	\$54,949	
Medicaid Identification Cards	\$10,247	\$8,886	\$10,759	\$9,681	\$10,759	\$10,759	\$10,759	
Customer Outreach (Enrollment Broker and EPSDT)	\$18,908	\$33,514	\$30,721	\$33,514	\$33,514	\$33,514	\$33,514	
School District Eligibility Determinations	\$0	\$7,638	N/A	N/A	\$0	\$0	\$0	
Contracts for Special Eligibility Determinations <sup>5</sup>	N/A	N/A	\$25,478	\$19,717	\$0	\$0	\$0	
County Administration	\$0	\$0	\$0	\$406,240	\$406,240	\$406,240	\$406,240	
Medicaid Management Information System Contract	\$258,964	\$293,268	\$284,377	\$284,377	\$287,100	\$287,100	\$287,100	
Adjustments due to Change Requests	\$0	\$0	\$0	\$0	\$0	(\$3,636)	\$0	
<b>(2) Medical Service Premiums</b>	<b>\$34,342,956</b>	<b>\$56,072,286</b>	<b>\$69,577,006</b>	<b>\$65,813,605</b>	<b>\$74,984,867</b>	<b>\$101,058,452</b>	<b>\$106,986,537</b>	
Adjustments due to Change Requests					(\$1,944,950)	(\$1,285,969)	(\$1,442,646)	
<b>(3) Medicaid Mental Health Community Programs</b>	<b>\$2,475,031</b>	<b>\$4,300,041</b>	<b>\$5,202,175</b>	<b>\$6,047,643</b>	<b>\$6,304,455</b>	<b>\$9,312,370</b>	<b>\$9,651,497</b>	
Adjustments due to Change Requests					(\$846,512)	(\$337,443)	(\$283,492)	
<b>(4) Indigent Care Program</b>	<b>\$9,589,238</b>	<b>\$15,005,337</b>	<b>\$18,093,822</b>	<b>\$30,037,096</b>	<b>\$27,839,725</b>	<b>\$32,698,857</b>	<b>\$35,714,880</b>	
Children's Basic Health Plan Administration and Outreach	\$549,803	\$518,545	\$540,000	\$326,951	\$272,494	\$272,494	\$272,494	
Children's Basic Health Plan Premium Costs	\$8,770,576	\$13,653,510	\$16,517,591	\$28,318,710	\$28,388,860	\$32,439,876	\$36,002,217	
Children's Basic Health Plan Dental Benefit Costs	\$268,859	\$833,282	\$1,036,231	\$1,391,435	\$1,417,619	\$1,627,651	\$1,877,325	
Adjustments due to Change Requests	\$0	\$0	\$0	\$0	(\$2,239,248)	(\$1,641,163)	(\$2,437,156)	
<b>(6) Department of Human Services Medicaid Funded Programs</b>	<b>\$345,441</b>	<b>\$581,310</b>	<b>\$579,886</b>	<b>\$541,738</b>	<b>\$445,219</b>	<b>\$539,150</b>	<b>\$539,150</b>	
DHS: Colorado Benefits Management System, BRI #1	\$71,321	\$63,109	\$0	\$0	\$0	\$0	\$0	
DHS: Colorado Benefits Management System SAS-70	\$0	\$618	\$0	\$0	\$0	\$0	\$0	
DHS: Services for People with Developmental Disabilities	\$32,364	\$517,583	\$579,886	\$541,738	\$427,007	\$539,150	\$539,150	
DHS: Services for Family & Children	\$241,756	\$0	\$0	\$0	\$0	\$0	\$0	
Adjustments due to Change Requests	\$0	\$0	\$0	\$0	\$18,212	\$0	\$0	
<b>E. Total Health Care Expansion Fund Expenditures</b>	<b>\$47,224,976</b>	<b>\$76,441,703</b>	<b>\$94,003,144</b>	<b>\$103,404,888</b>	<b>\$110,527,747</b>	<b>\$144,568,452</b>	<b>\$153,855,322</b>	
<b>G. General Fund Transfers<sup>9</sup></b>								
	\$0	\$0	\$0	\$8,039,409	\$2,830,815	\$2,007,992	\$0	
<b>H. Total Health Care Expansion Fund Expenditures at Enhanced ARRA FMAP<sup>8</sup></b>	<b>\$47,224,976</b>	<b>\$76,441,703</b>	<b>\$94,003,144</b>	<b>\$111,444,297</b>	<b>\$113,358,563</b>	<b>\$146,576,443</b>	<b>\$153,855,322</b>	
<b>I. Health Care Expansion Fund Populations Funding Shortfall</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$38,884,678</b>	<b>\$86,928,651</b>	
<b>J. Health Care Expansion Fund Reserve Balance - Increase / (Decrease)</b>	<b>\$36,017,610</b>	<b>\$5,068,485</b>	<b>(\$16,119,995)</b>	<b>(\$40,366,669)</b>	<b>(\$40,772,421)</b>	<b>(\$77,347,210)</b>	<b>(\$86,928,651)</b>	

**Notes for Health Care Expansion Fund: Outlook 2006-2013**

<sup>1</sup> Tobacco Tax revenue projections are taken from the December 2010 Amendment 35 Revenue Forecast published by Legislative Council.

<sup>2</sup> The 10% Reserve Requirement was discontinued in FY 2006-07 as the balance of the Health Care Expansion Fund Reserve surpassed the transfer to the Health Care Expansion Fund per 24-22-117 (2) (III) C.R.S. (2010).

<sup>3</sup> All interest earned on the Reserve Fund balance is transferred to the Health Care Expansion Fund prior to reverting to the Reserve Fund as "Unspent Health Care Expansion Fund Dollars" for FY 2007-08 forward. Therefore, actual interest earned on the Health Care Expansion Fund Reserve Fund balance cannot be specifically identified. The interest rate used to project earnings for the fund is equal to the interest rate received in FY 2009-10. Per SB 09-270, all interest earned on the balance of the Health Care Expansion Fund during FY 2008-09 through FY 2011-12 shall be transferred to the General Fund. The FY 2008-09 earned interest was not transferred to the General Fund until FY 2009-10.

<sup>4</sup> For purposes of this document, the "Personal Services" line item consists of the following appropriations: Personal Services; Health, Life, and Dental; Short-Term Disability; Amortization Equalization Disbursement; and Supplemental Amortization Equalization Disbursement.

<sup>5</sup> The Department's FY 2009-10 DI-16, School-Based Medical Assistance Site Pilot Expansion, removed the Health Care Expansion Fund appropriation to the Contracts for Special Eligibility Determinations for years after FY 2009-10.

<sup>6</sup> Long Bill Group totals for projected Health Care Expansion Fund expenditures in FY 2010-11 and FY 2011-12 incorporate the impact of Change Requests. For more detail on the requests affecting Health Care Expansion Fund expenditures, please refer to the Schedule 9 submitted with the Department's November 1, 2010, FY 2011-12 Budget Request.

<sup>7</sup> Long Bill Group totals for FY 2012-13 will not match figures presented in the Schedule 9 as the latter assumes constant expenditures after FY 2011-12, while in this document population expenditures are estimated separately throughout the forecast period.

<sup>8</sup> The impact of ARRA in FY 2008-09, FY 2009-10, and FY 2010-11 is incorporated into Long Bill Group totals on this page. For estimates of cash fund relief by long bill group, see the "Medical Services Premiums" and "Medicaid Mental Health" tabs in this document.

<sup>9</sup> General Fund transfers for FY 2009-10 thru FY 2011-12 consists of the interest income earned, however FY 2009-10 also consists of an additional \$1,293,900 which was transferred to the Medical Services Premiums line item, and a net amount of \$3,956,761 due to audit adjustments.

***COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING; FY 2011-12 BUDGET REQUEST; TOBACCO TAX UPDATE***

<b>Medical Services Premiums - Rate, Caseload, and Expenditure Forecast</b>								
		FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual <sup>7</sup>	FY 2009-10 Actual	FY 2010-11	FY 2011-12	FY 2012-13 <sup>8</sup>
<b>Expansion Adults<sup>1</sup></b>								
1	Per Capita Cost		\$2,150.30	\$2,675.87	\$2,579.89	\$2,787.62	\$2,873.74	\$3,252.85
2	% Change Over Prior Year		N/A	24.44%	-3.59%	8.05%	3.09%	13.19%
3	Caseload		8,918	12,727	17,178	20,103	21,607	22,029
4	% Change Over Prior Year		N/A	42.71%	34.97%	17.03%	7.48%	1.95%
5	Total Expansion Adults Expenditures	\$7,377,866	\$19,176,398	\$34,055,796	\$44,317,318	\$56,039,634	\$62,092,831	\$71,657,033
6	<b>Total Expansion Adult Expansion Fund Expenditures</b>	<b>\$3,688,933</b>	<b>\$9,588,199</b>	<b>\$14,546,082</b>	<b>\$17,022,282</b>	<b>\$22,594,159</b>	<b>\$31,046,416</b>	<b>\$35,828,517</b>
<b>Presumptive Eligibility<sup>2</sup></b>								
7	Per Capita Cost		\$3,727.86	\$4,671.38	\$3,804.65	\$3,944.04	\$3,976.96	\$4,066.24
8	% Change Over Prior Year		N/A	25.31%	-18.55%	3.66%	0.83%	2.24%
9	Caseload		1,605	741	728	836	845	854
10	% Change Over Prior Year		N/A	-53.83%	-1.75%	14.84%	1.08%	1.07%
11	Total Presumptive Eligibility Expenditures	\$7,849,344	\$5,983,218.76	\$3,461,490	\$2,769,787	\$3,297,213	\$3,360,531	\$3,472,569
12	<b>Total Presumptive Eligibility Expansion Fund Expenditures</b>	<b>\$3,924,672</b>	<b>\$2,991,609</b>	<b>\$1,478,489</b>	<b>\$1,063,875</b>	<b>\$1,328,447</b>	<b>\$1,680,266</b>	<b>\$1,736,285</b>
<b>HB 05-1086 Optional Legal Immigrants<sup>3</sup></b>								
13	Per Capita Cost		\$3,540.29	\$5,845.35	\$5,990.04	\$5,794.41	\$6,074.40	\$6,122
14	% Change Over Prior Year		N/A	65.11%	2.48%	-3.27%	4.83%	0.78%
15	Caseload		3,512	5,006	5,267	5,452	5,767	6,035
16	% Change Over Prior Year		N/A	42.54%	5.21%	3.51%	5.78%	4.65%
17	Total Optional Legal Immigrants Expenditures	\$12,433,504	\$12,433,504	\$29,261,806	\$31,549,557	\$31,591,134	\$35,031,065	\$36,944,942
18	<b>Total Optional Legal Immigrants Expansion Fund Expenditures</b>	<b>\$6,216,752</b>	<b>\$6,216,752</b>	<b>\$12,498,449</b>	<b>\$12,118,185</b>	<b>\$12,728,068</b>	<b>\$17,515,533</b>	<b>\$18,472,471</b>
<b>Asset Test Removal - Adults and Children<sup>4</sup></b>								
19	Total Asset Test Removal Expenditures	\$32,465,050	\$57,260,250	\$64,509,474	\$66,400,818	\$71,778,355	\$76,036,922	\$76,036,922
20	<b>Total Asset Test Removal Expansion Fund Expenditures</b>	<b>\$16,232,525</b>	<b>\$28,630,125</b>	<b>\$27,553,609</b>	<b>\$25,504,554</b>	<b>\$28,919,499</b>	<b>\$38,018,461</b>	<b>\$38,018,461</b>
21	% Change Over Prior Year		76.38%	12.66%	2.93%	8.10%	5.93%	0.00%
<b>Children's Home and Community-Based Services (CHCBS) <sup>5</sup></b>								
22	Per Capita Cost		\$23,062.69	\$31,449.66	\$30,313.13	\$31,965.99	\$31,278.72	\$31,794.82
23	% Change Over Prior Year		N/A	36.37%	-3.61%	5.45%	-2.15%	1.65%
24	Caseload		678	678	678	678	678	678
25	Total Children's Home and Community-Based Services Expenditures	\$7,743,040	15,636,503	\$21,322,871	\$20,552,304	\$21,672,941	21,206,972	21,556,888
26	<b>Total Health Care Expansion Fund Expenditures</b>	<b>\$3,871,520</b>	<b>\$7,818,252</b>	<b>\$9,107,531</b>	<b>\$7,894,140</b>	<b>\$8,732,028</b>	<b>\$10,603,486</b>	<b>\$10,778,444</b>
<b>Children's Extensive Support (CES) <sup>5</sup></b>								
27	Per Capita Cost		\$23,352.90	\$41,631.43	\$42,145.25	\$44,186.31	\$43,236.00	\$43,818
28	% Change Over Prior Year		N/A	78.27%	1.23%	4.84%	-2.15%	1.34%
29	Caseload		59	79	79	79	79	79
30	Total Children's Extensive Support Expenditures	\$817,108	1,377,821	\$3,288,883	\$3,329,475	\$3,490,718	3,415,644	3,461,584
31	<b>Total Children's Extensive Support Expansion Fund Expenditures</b>	<b>\$408,554</b>	<b>\$688,911</b>	<b>\$1,404,764</b>	<b>\$1,278,851</b>	<b>\$1,406,410</b>	<b>\$1,707,822</b>	<b>\$1,730,792</b>
<b>Expansion Foster Care<sup>6</sup></b>								
32	Per Capita Cost		\$3,845.52	\$2,017.99	\$2,308.01	\$2,233.63	\$2,460.01	\$2,545.00
33	% Change Over Prior Year		N/A	-47.52%	14.37%	-3.22%	10.13%	3.46%
34	Caseload		36	543	1,051	1,357	1,441	1,465
35	% Change Over Prior Year		N/A	N/A	93.55%	29.12%	6.19%	1.67%
36	Total Expansion Foster Care Expenditures	N/A	\$276,877.12	\$1,095,770	\$2,425,715	\$3,031,041	3,544,874	3,728,425
37	<b>Total Foster Care Expansion Fund Expenditures</b>	<b>N/A</b>	<b>\$138,439</b>	<b>\$468,031</b>	<b>\$931,717</b>	<b>\$1,221,206</b>	<b>\$1,772,437</b>	<b>\$1,864,213</b>
<b>Total Health Care Expansion Fund Expenditures at Enhanced ARRA FMAP<sup>7</sup></b>								
		<b>\$34,342,956</b>	<b>\$56,072,286</b>	<b>\$69,577,006</b>	<b>\$65,813,605</b>	<b>\$76,929,817</b>	<b>\$102,344,421</b>	<b>\$108,429,183</b>

**Notes for Medical Services Premiums - Rate, Caseload, and Expenditure Forecast**

<sup>1</sup> Projected caseload and per capita expenditures for the Expansion Adult population are taken from Exhibits B1 and C2, respectively, of the Department's FY 2011-12 S-1.

<sup>2</sup> Presumptive Eligibility caseload is projected using the most recent 24 month average monthly change. An analyses of the growth in the 18-49 age segment of the population and seasonal patterns in the data reinforce the forecast. Per capita costs for this population were developed by applying the most recent 12 month average monthly percentage change to the prior year three- month moving average.

<sup>3</sup> The Optional Legal Immigrants caseload forecast is based on an analysis of caseload between July 2008 and June 2010, and is projected using average caseload shares by Medicaid eligibility type. Per capita costs for this population were forecast by taking an average of the most recent 12 months and trending it forward using the Bureau of Labor Statistics Denver-Boulder-Greeley average CPI from 1999 to 2009 for medical care .

<sup>4</sup> Expenditures for the Asset Test Removal population have dropped significantly in FY 2010-11 due to eligibility redeterminations which resulted in clients being reclassified to the HB 09-1293 Parents to 100% expansion population. For FY 2011-12 forward, the forecast is based upon a methodology that estimates the amount of expenditures due to individuals for which no asset information is available using expenditure data for clients for which assets are known. This is the same methodology as used historically, only FY 2010-11 represented a base shift downward.

<sup>5</sup> Per capita projections for the Children's Home and Community-Based Services and Children's Extensive Support Waiver programs are based upon the trend in the Disabled Individuals to 59 category from Exhibit C2 in the FY 2011-12 S-1 in this budget request applied to the average per capita cost for these waiver clients.

<sup>6</sup> The FY 2010-11 caseload projection for this population is forecast using an Ordinary Least Squares (OLS) regression model. FY 2011-12 caseload projections are forecast using the overall Medicaid foster care population, as the age mixture in the population is beginning to indicate the growth rate is leveling off. Per Capita costs for this population differ from that of the traditional foster care population, and therefore an average of the most recent 12 months of per capita figures was calculated and trended forward using the Denver-Boulder-Greeley average CPI from 1999 to 2009 for medical care to forecast both FY 2010-11 and FY 2011-12.

<sup>7</sup> Total expenditures from the Health Care Expansion Fund for individual populations as given on this page calculate the costs of expansion populations at the average FY 2008-09 57.29% FMAP, and therefore will not match the total at the bottom of the page, which is the correct actual expenditure. This is due to the timing of expenditures within the year as the FMAP changed.

<sup>8</sup> For FY 2012-13, the final per capita and caseload projections are calculated by using the average of the percent change from the previous two projections, since no formal forecasting procedure is performed for three years out. The Asset Test however, was forecasted using the formal methodology, as was the foster care caseload. Caseload for the Children's Home and Community-Based Services and Children's Extensive Support programs is held constant.

***COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING; FY 2011-12 BUDGET REQUEST; TOBACCO TAX UPDATE***

<b>Medicaid Mental Health - Rate, Caseload, and Expenditure Forecast</b>								
		FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual <sup>6</sup>	FY 2009-10 Actual	FY 2010-11	FY 2011-12	FY 2012-13 <sup>7</sup>
<b>Expansion Adults<sup>1</sup></b>								
1	Per Capita Cost		\$238.32	\$244.48	\$257.25	\$268.44	\$288.68	\$311.86
2	% Change Over Prior Year		N/A	2.59%	5.22%	4.35%	7.54%	8.03%
3	Caseload		8,918	12,727	17,178	20,103	21,607	22,029
4	% Change Over Prior Year		N/A	42.71%	34.97%	17.03%	7.48%	1.95%
5	Total Expansion Adults Expenditures	\$1,028,648	\$2,125,312	\$3,111,446	\$4,419,081	\$5,396,449	\$6,237,509	\$6,869,964
6	<b>Total Expansion Adult Expansion Fund Expenditures</b>	<b>\$514,324</b>	<b>\$1,062,656</b>	<b>\$1,328,976</b>	<b>\$1,697,424</b>	<b>\$2,174,229</b>	<b>\$3,118,754</b>	<b>\$3,434,982</b>
<b>HB 05-1086 Optional Legal Immigrants<sup>2</sup></b>								
7	Per Capita Cost			\$222.47	\$247.13	\$256.35	\$269.34	\$281.19
8	% Change Over Prior Year			N/A	11.08%	3.73%	5.07%	4.40%
9	Caseload			5,006	5,267	5,452	5,767	6,035
10	% Change Over Prior Year			N/A	5.21%	3.51%	5.78%	4.65%
11	Total Optional Legal Immigrants Expenditures			\$1,113,662	\$1,301,623	\$1,397,620	\$1,553,284	\$1,696,982
12	<b>Total Optional Legal Immigrants Expansion Fund Expenditures</b>			<b>\$475,673</b>	<b>\$499,953</b>	<b>\$563,101</b>	<b>\$776,642</b>	<b>\$848,491</b>
<b>Asset Test Removal - Adults and Children<sup>3</sup></b>								
13	Total Asset Test Removal Expenditures	\$3,278,456	\$4,871,984	\$5,229,325	\$5,950,880	\$6,582,083	\$7,038,801	\$7,038,801
14	<b>Total Asset Test Removal Expansion Fund Expenditures</b>	<b>\$1,639,228</b>	<b>\$2,435,992</b>	<b>\$2,233,575</b>	<b>\$2,285,733</b>	<b>\$2,651,921</b>	<b>\$3,519,400</b>	<b>\$3,519,401</b>
15	% Change Over Prior Year		48.61%	7.33%	13.80%	10.61%	6.94%	0.00%
<b>Children's Home and Community-Based Services<sup>4</sup></b>								
16	Per Capita Cost		\$845.10	\$1,442.89	\$1,463.40	\$1,560.28	\$1,674.80	\$1,791.70
17	% Change Over Prior Year		N/A	70.74%	1.42%	6.62%	7.34%	6.98%
18	Caseload		678	678	678	678	678	678
19	Total Children's Home and Community-Based Services Expenditures	\$418,202	\$572,980	\$978,282	\$992,182	\$1,057,870	\$1,135,513	\$1,214,773
20	<b>Total Health Care Expansion Fund Expenditures</b>	<b>\$209,101</b>	<b>\$286,490</b>	<b>\$417,849</b>	<b>\$381,097</b>	<b>\$426,215</b>	<b>\$567,757</b>	<b>\$607,387</b>
<b>Children's Extensive Support<sup>4</sup></b>								
21	Per Capita Cost		\$1,441.84	\$1,454.68	\$1,489.48	\$1,588.08	\$1,704.65	\$1,823.63
22	% Change Over Prior Year		N/A	0.89%	2.39%	6.62%	7.34%	6.98%
23	Caseload		59	79	79	79	79	79
24	Total Children's Extensive Support Expenditures	\$224,756.00	\$85,069	\$114,920	\$117,669	\$125,457	\$134,665	\$144,067
25	<b>Total Children's Extensive Support Expansion Fund Expenditures</b>	<b>\$112,378</b>	<b>\$42,534</b>	<b>\$49,085</b>	<b>\$45,197</b>	<b>\$50,547</b>	<b>\$67,332</b>	<b>\$72,034</b>
<b>Expansion Foster Care<sup>5</sup></b>								
26	Per Capita Cost		\$13,121.36	\$2,988.43	\$2,819.59	\$2,350.23	\$2,220.58	\$1,983.20
27	% Change Over Prior Year		N/A	-77.22%	-5.65%	-16.65%	-5.52%	-10.69%
28	Caseload		36	543	1,051	1,357	1,441	1,465
29	% Change Over Prior Year		N/A	1408.33%	93.55%	29.12%	6.19%	1.67%
30	Total Expansion Foster Care Expenditures		\$944,738	\$1,622,720	\$2,963,392	\$3,189,262	\$3,199,856	\$2,905,388
31	<b>Total Foster Care Expansion Fund Expenditures</b>		<b>\$472,369</b>	<b>\$693,104</b>	<b>\$1,138,239</b>	<b>\$1,284,954</b>	<b>\$1,599,928</b>	<b>\$1,452,694</b>
<b>Total Health Care Expansion Fund Expenditures at Enhanced ARRA FMAP<sup>6</sup></b>								
		<b>\$2,475,031</b>	<b>\$4,300,041</b>	<b>\$5,202,175</b>	<b>\$6,047,643</b>	<b>\$7,150,967</b>	<b>\$9,649,813</b>	<b>\$9,934,989</b>

**Notes for Medicaid Mental Health - Rate, Caseload, and Expenditure Forecast**

<sup>1</sup> Caseload projections for the Expansion Adult population are the same as those for the Medical Services Premiums population. Projected per capita expenditures for the Expansion Adult population are taken from the Department's FY 2011-12 S-2, Exhibit DD-Per Cap Summ.

<sup>2</sup> Optional Legal Immigrants caseload forecast is based on analysis of overall caseload between July 2008 and June 2010, and is projected based on caseload shares by Medicaid eligibility type. The per capita costs for this population were forecast by trending forward using the most recent 12 month average monthly change.

<sup>3</sup> Expenditures for the Asset Test Removal population have dropped significantly in FY 2010-11 due to eligibility redeterminations which resulted in clients being reclassified to the HB 09-1293 Parents to 100% expansion population. For FY 2011-12 forward, the forecast is based upon a methodology that estimates the amount of expenditures due to individuals for which no asset information is available using expenditure data for clients for which assets are known. This is the same methodology as used historically, only FY 2010-11 represented a base shift downward.

<sup>4</sup> Per capita projections for the Children's Home and Community-Based Services and Children's Extensive Support Waiver programs are based upon the trend in the Disabled Individuals to 59 category from Exhibit DD in the FY 2011-12 S-2 in this budget request applied to the average per capita cost for these waiver clients.

<sup>5</sup> The FY 2010-11 caseload projection for this population is forecast using an Ordinary Least Squares (OLS) regression model. FY 2011-12 caseload projections are forecast using the overall Medicaid foster care population, as the age mixture in the population is beginning to indicate the growth rate is leveling off. Mental Health per capita costs projections for this population are the same as those in the traditional Foster Care population, as an analysis of the expansion foster care per capita costs compared with the traditional foster care population shows that the per capita costs between the two populations are very similar.

<sup>6</sup> Total expenditures from the Health Care Expansion Fund as given on this page calculate the projected adjusted costs of expansion populations at the enhanced ARRA FMAP, and do not incorporate the impact of FY 2011-12 Change Requests that require bottom-line adjustments to the cash fund appropriation to the Medicaid Mental Health Community Programs line item. Therefore, the projected total Health Care Expansion Fund expenditures, before or after ARRA, will not match those given on the first page of this document.

<sup>7</sup> For FY 2012-13, the final per capita and caseload projections are calculated by using the average of the percent change from the previous two projections, since no formal forecasting procedure is performed for three years out. The Asset Test however, was forecasted using the formal methodology, as was the foster care caseload and per capita. Caseload for the Children's Home and Community-Based Services and Children's Extensive Support programs is held constant.

***COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING; FY 2011-12 BUDGET REQUEST; TOBACCO TAX UPDATE***

<b>Children's Basic Health Plan Expansion - Rate, Caseload, and Expenditure Forecast</b>							
	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11	FY 2011-12	FY 2012-13
<b>Premiums</b>							
1 Per Capita <sup>1,5</sup>	\$2,013.50	\$1,936.59	\$1,417.30	\$2,585.60	\$2,324.41	\$2,422.04	\$2,533.53
2 Less Enrollment Fee <sup>2</sup>	(\$4.93)	(\$4.90)	(\$5.33)	(\$5.04)	(\$5.43)	(\$5.69)	(\$5.69)
3 Adjusted Per Capita	\$2,008.57	\$1,931.69	\$1,411.97	\$2,580.56	\$2,318.98	\$2,416.35	\$2,527.84
4 Portion Attributable to Expansion Population <sup>3</sup>	100%	98.62%	98.62%	98.62%	100.00%	100.00%	100.00%
5 Final Per Capita	\$2,008.57	\$1,905.04	\$1,392.49	\$2,544.95	\$2,318.98	\$2,416.35	\$2,527.84
6 % Change Over Prior Year	N/A	-5.15%	-26.90%	82.76%	-8.88%	4.20%	4.61%
7 Enrollment to 200% FPL <sup>4,5</sup>	2,987	3,458	3,624	4,154	4,363	4,637	4,785
8 Enrollment above 2003-04 Level <sup>4,5</sup>	2,274	8,764	17,376	20,999	22,228	25,277	27,399
9 Total Health Care Expansion Fund Enrollment	5,261	12,222	21,000	25,153	26,591	29,914	32,184
10 % Change Over Prior Year	N/A	132.31%	71.82%	19.78%	5.72%	12.50%	7.59%
11 Total Premiums Expenditures	\$10,567,091	\$23,283,343	\$29,242,201	\$64,013,088	\$61,663,997	\$72,282,694	\$81,356,003
<b>12 Total Premiums Expansion Fund Expenditures<sup>6</sup></b>	<b>\$3,698,482</b>	<b>\$8,149,170</b>	<b>\$10,234,770</b>	<b>\$22,404,581</b>	<b>\$21,582,399</b>	<b>\$25,298,943</b>	<b>\$28,474,601</b>
<b>Prenatal</b>							
13 Per Capita <sup>1,5</sup>	\$13,556.31	\$10,801.30	\$12,902.12	\$12,342.96	\$14,794.32	\$15,452.67	\$16,187.63
14 % Change Over Prior Year	N/A	-20.32%	19.45%	-4.33%	19.86%	4.45%	4.76%
15 Enrollment to 200% FPL <sup>4,5</sup>	213	195	172	185	197	209	221
16 Enrollment above 2003-04 Level <sup>4,5</sup>	856	1,261	1,184	1,184	1,161	1,161	1,161
17 Total Health Care Expansion Fund Enrollment	1,069	1,456	1,356	1,369	1,358	1,370	1,382
18 % Change Over Prior Year	N/A	36.20%	-6.87%	0.96%	-0.80%	0.88%	0.88%
19 Total Prenatal Expenditures	\$14,491,697	\$15,726,686	\$17,495,278	\$16,897,512	\$20,090,687	\$21,170,158	\$22,371,305
<b>20 Total Prenatal Expansion Fund Expenditures<sup>6</sup></b>	<b>\$5,072,094</b>	<b>\$5,504,340</b>	<b>\$6,123,347</b>	<b>\$5,914,129</b>	<b>\$7,031,740</b>	<b>\$7,409,555</b>	<b>\$7,829,957</b>
<b>Dental</b>							
21 Per Capita <sup>1,5</sup>	\$146.01	\$194.80	\$140.98	\$158.05	\$152.32	\$155.46	\$166.66
22 % Change Over Prior Year	N/A	33.41%	-27.63%	12.11%	-3.63%	2.06%	7.20%
23 Enrollment to 200% FPL <sup>4,5</sup>	2,987	3,458	3,624	4,154	4,363	4,637	4,785
24 Enrollment above 2003-04 Level <sup>4,5</sup>	2,274	8,764	17,376	20,999	22,228	25,277	27,399
25 Total Health Care Expansion Fund Enrollment	5,261	12,222	21,000	25,153	26,591	29,914	32,184
26 % Change Over Prior Year	N/A	132.31%	71.82%	19.78%	5.72%	12.50%	7.59%
27 Total Dental Expenditures	\$768,169	\$2,380,806	\$2,960,659	\$3,975,529	\$4,050,341	\$4,650,430	\$5,363,785
<b>28 Total Dental Expansion Fund Expenditures<sup>6</sup></b>	<b>\$268,859</b>	<b>\$833,282</b>	<b>\$1,036,231</b>	<b>\$1,391,435</b>	<b>\$1,417,619</b>	<b>\$1,627,651</b>	<b>\$1,877,325</b>
<b>Total Health Care Expansion Fund Expenditures (Row 12+Row 20+Row 28)</b>	<b>\$9,039,435</b>	<b>\$14,486,792</b>	<b>\$17,394,348</b>	<b>\$29,710,145</b>	<b>\$30,031,758</b>	<b>\$34,336,149</b>	<b>\$38,181,883</b>

**Notes for Children's Basic Health Plan Expansion - Rate, Caseload, and Expenditure Forecast**

<sup>1</sup> Per capita figures are taken from the Department's FY 2011-12 DI-3, Exhibits C.2 and C.3 in this budget request for FY 2010-11 and FY 2011-12, respectively.

<sup>2</sup> The annual enrollment fee is removed from the children's per capita, as this amount is not eligible for federal match.

<sup>3</sup> For clients financed mainly through the Health Care Expansion Fund, a portion of the per capita cost is funded from the Children's Basic Health Plan Trust Fund for Early Intervention Services (SB 07-004). See the Department's FY 2011-12 DI-3, Exhibits C.2 and C.3.

<sup>4</sup> All caseload figures are from the Department's FY 2011-12 DI-3, Exhibits C.2 and C.3 for FY 2010-11 and FY 2011-12, respectively.

<sup>5</sup> Caseload and per capita forecasts can be found in the Department's FY 2011-12 DI-3, Exhibit C.8. The Department assumes that caseload for the expansion populations will exhibit the same growth rate as the general Children's Basic Health Plan population for FY 2011-12 through FY 2012-13.

<sup>6</sup> Children's Basic Health Plan expenditures receive an enhanced federal match rate of 65% thus requiring 35% State funds.